

# LOST CREEK FARMS METROPOLITAN DISTRICT

July 27, 2022

Sarah Nurmela, Director  
Planning & Development Department  
Town of Erie  
645 Holbrook Street  
P.O. Box 750  
Erie, Colorado 80516

State of Colorado  
Office of the State Auditor  
Local Government Audit Division  
1525 Sherman Street, 7<sup>th</sup> Floor  
Denver, CO 80203  
(via E-Filing)

Division of Local Government  
1313 Sherman Street, Room 521  
Denver, CO 80203  
(Via E-Portal)

Re: Lost Creek Farms Metropolitan District  
Filing of 2022 Annual Report

Dear Sir or Madam,

Enclosed for your information and records is a copy of the 2022 Annual Report for the reporting year 2021 for Lost Creek Farms Metropolitan District. This report is submitted as required in the Plan of the District, Section VII, approved by the Town of Erie on September 13, 2016.

Sincerely,



AJ Beckman  
District Manager

**LOST CREEK FARMS METROPOLITAN DISTRICT**

Lost Creek Farms Metropolitan District; c/o [aj@publicalliancellc.com](mailto:aj@publicalliancellc.com); 13131 West Alameda Pkwy., Suite 200, Lakewood, CO, 80228

## **2022 ANNUAL REPORT**

### **For reporting year 2021**

Lost Creek Farms Metropolitan District (the "District") hereby submits this annual report, as required pursuant to Section VII of the Service Plan of the District dated August 25, 2016, and approved by the Town of Erie (the "Town") on September 13, 2016 (the "Service Plan"). This annual report is being submitted to satisfy the reporting requirement for the year 2021. For the year ending December 31, 2021, the District makes the following report:

#### **1. A narrative summary of the progress of the District in implementing the Service Plan.**

On December 4, 2017 the District held a special meeting at which the Board made a Final Determination to Issue its General Obligation Limited Tax Bonds, Series 2017A in the aggregate principal amount of \$1,295,000.00 and its Subordinate General Obligation Limited Tax Bonds, Series 2017B in the aggregate principal amount of \$197,000.00 (the "Series 2017 Bonds") for the purpose of paying the costs of acquiring, constructing and installing public improvements for the District.

On December 7, 2021, the District issued its Series 2021 Loan Agreement in the amount of \$1,809,000 (the "Series 2021 Loan") for the purpose of paying the costs of reimbursing LCF1, LLC for the cost of certain outstanding capital improvement expenses and refunding the Series 2017 Bonds.

The District does not expect to incur additional capital expenses in 2022 and is currently servicing its debt.

#### **2. Except when an exemption from audit has been granted for the fiscal year under the Local Government Audit Law, the audited financial statements of the District for the fiscal year include a statement of financial conditions (i.e., balance sheet) as of December 31 of the fiscal year and the statement of operations (i.e., revenues and expenditures) for the fiscal year.**

As of the date of submission of this Annual Report, the District's auditor is in the process of conducting an audit of the District's 2021 financial statements, which audit is not yet complete. A copy of the District's 2021 audited financial statements will be filed with the Office of the State Auditor and separately provided to the Town once available.

#### **3. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures, incurred by the District in development of public facilities in the fiscal year, as well as any capital improvements or projects proposed to be undertaken in the five (5) years following the fiscal year.**

There were no capital improvements or capital expenditures in 2021. The District reimbursed LCF1, LLC \$187,985.56 representing principal and interest due on previously certified capital expenses under the Advance and Reimbursement and Facilities Acquisitions Agreement, dated September 22, 2017, between the District and LCF1, LLC. The District does not anticipate incurring additional capital expenses at this time.

**4. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the fiscal year, including the amount of outstanding indebtedness, the amount and terms of any new District Indebtedness or long-term obligations issued in the fiscal year, the amount of payment or retirement of existing indebtedness of the District in the fiscal year, the total assessed valuation of all taxable properties within the District as of January 1 of the fiscal year and the current mill levy of the District pledged to debt retirement in the fiscal year.**

In 2021, the District issued its Series 2021 Loan in the amount of \$1,809,000, the principal payment schedule for which is below:

<b>Principal Payment Date</b>	<b>Principal Amount Due</b>
December 1, 2022	\$5,000
December 1, 2023	42,000
December 1, 2024	45,000
December 1, 2025	46,000
December 1, 2026	49,000
December 1, 2027	51,000
December 1, 2028	54,000
December 1, 2029	55,000
December 1, 2030	59,000
December 1, 2031	60,000
December 1, 2032	64,000
December 1, 2033	66,000
December 1, 2034	69,000
December 1, 2035	71,000
December 1, 2036	75,000
December 1, 2037	77,000
December 1, 2038	81,000
December 1, 2039	83,000
December 1, 2040	88,000
December 1, 2041 (Maturity Date)	All remaining unpaid principal

As noted in Section 1, the Series 2021 Loan refunded the Series 2017 Bonds in full. The Series 2021 Loan currently bears interest at a taxable fixed rate per annum of 3.36%. The District will request that Bond Counsel deliver a Tax-Exempt Reissuance Option by October 15, 2022 after the issuance of which, the District's Series 2021 Note will be deemed reissued and will bear interest at a tax-exempt fixed rate of 2.62% thereafter.

The total assessed valuation of all taxable property within the District for tax year 2021 is \$1,836,021. The current debt service mill levy the District imposed in 2021 (for collection in 2022) is 45.290 mills.

Additional financial information will be provided in the subsequent distribution of the 2021 Audited Financial Statements.

**5. The District's budget for the calendar year in which the annual report is submitted.**

Please find enclosed the 2022 budget for the District.

**6. A summary of residential and commercial development which has occurred within the District for the fiscal year.**

The District had completed 100% of the Public Improvements in the year ending December 31, 2018.

**7. A summary of all taxes, fees, charges and assessments imposed by the District as of January 1 of the fiscal year.**

Please see the attached 2022 budget which includes the mill levy certified for 2022, as well as the taxes, fees, charges, and assessments imposed by the District in 2021.

**8. The name, business address and telephone number of each member of the Board and its chief administrative office and general counsel, together with the date, place and time of the regular meetings of the Board.**

Board Members

David B. Ware  
13131 West Alameda Parkway, Suite 200  
Lakewood, CO 80228  
(720) 213-6621

Hunter Dalton Grein  
13131 West Alameda Parkway, Suite 200  
Lakewood, CO 80228  
(720) 213-6621

Brian Greenman  
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Lakewood, CO 80228  
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Frederick Goldmeyer  
13131 West Alameda Parkway, Suite 200  
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(720) 213-6621

Fernando Delgado  
13131 West Alameda Parkway, Suite 200  
Lakewood, CO 80228  
(720) 213-6621

Chief Administrative Officer

Board President/Chairman  
David B. Ware  
13131 West Alameda Parkway, Suite 200  
Lakewood, CO 80228  
(720) 213-6621

General Legal Counsel

Shannon Smith Johnson  
Icenogle Seaver Pogue, P.C.  
4725 S. Monaco Street, Suite 360  
Denver, CO 80237  
(303) 867-3012

District Accountant

Diane Wheeler  
Simmons & Wheeler, P.C.  
304 Inverness Way South, Suite 490  
Englewood, CO 80112  
(303) 689-0833

District Manager

AJ Beckman  
Public Alliance LLC  
13131 West Alameda Pkwy, Suite 200  
Lakewood, CO 80228  
(720) 213-6621

Regular Board Meetings

Third Tuesday of September 2022 at 6:00 P.M. at 6054 Delechant Drive, Erie, CO, and also available via teleconferencing.